

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE APPLICATION OF SIMPSON COUNTY WATER)
DISTRICT, SIMPSON COUNTY, KENTUCKY,)
(1) FOR A CERTIFICATE OF PUBLIC CONVENIENCE)
AND NECESSITY AUTHORIZING SAID DISTRICT)
TO CONSTRUCT MAJOR IMPROVEMENTS AND EXTENSIONS)
TO ITS EXISTING MUNICIPAL WATER DISTRIBUTION) CASE NO. 8266
SYSTEM PURSUANT TO THE PROVISIONS OF CHAPTER)
74 OF THE KENTUCKY REVISED STATUTES; (2) SEEK-)
ING APPROVAL OF THE ADJUSTMENT OF WATER SERVICE)
RATES AND CHARGES; AND (3) SEEKING APPROVAL OF)
THE ISSUANCE OF CERTAIN SECURITIES.)

O R D E R

IT IS ORDERED that Simpson County Water District, shall file an original and five copies of the following information with the Commission, with a copy to the Attorney General's Consumer Protection Division by September 4, 1981. If neither the requested information nor a motion for an extension of time is filed by the stated date, the case will be dismissed.

(1) Provide a comparative income statement according to the Uniform System of Accounts, showing test period per books, revenues and expenses, pro forma adjustments to those figures and the adjusted revenues and expenses.

(2) Provide an analysis of the other income for the district for the test year and the five preceding calendar years.

(3) Provide documentation for the use of a 1.2 debt service coverage for the existing and the proposed bond issue.

(4) Provide a reconciliation of the difference in the number of existing customers between the FmHA Letter of Conditions and those used in the pro forma adjustments in the engineers report.

(5) Provide an analysis of sales to each class of customer for the test year and for the five preceding calendar years.

(6) Provide the total amount of water purchased during the test year and the five preceding calendar years.

(7) Provide a detailed explanation and analysis for the increase in operation and maintenance cost as shown in table IV-5a of the engineers report contained in Exhibit A.

(8) Provide a detailed explanation of the following expense adjustments:

(1) Adjustment 1 - Explain in detail the derivation of the 13% line loss.

(2) Adjustment 19 - Provide an explanation of the 202,762 figure contained in the adjustment.

(3) Adjustment 18 - Provide an explanation of how the \$400 per month for amortization of painting the storage tanks was determined.

(9) Provide a detailed analysis of the total wages and salaries paid during the test year. Also provide detail of any increase in wages during or subsequent to the test year.


(10) Provide a copy of the water purchase contract with the City of Franklin, include any knowledge of an anticipated increase in water purchase price that the district may possess.

(11) Provide a breakdown of the actual expenses included in the following accounts during the test year.

(1) Operation labor & expense	\$ 4,457
(2) Power purchased for pumping	\$ 5,539
(3) Operation labor & expense - General Distribution	\$13,813
(4) Meter expense	\$ 1,331
(5) Meter reading expense	\$ 9,654
(6) Customer records & collection	\$14,032
(7) Miscellaneous general expense	\$ 1,253
(8) Reservoirs & stand pipes	\$ 6,936
(9) Water mains	\$ 3,234
(10) Services	\$ 1,662

Done at Frankfort, Kentucky, this 12th day of August, 1981.

PUBLIC SERVICE COMMISSION


Chairman

ATTEST:

Secretary